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November 18, 2002

BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

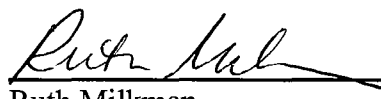
Re: *Ex Parte Presentation*
In the Matter of Review of the Section 251 Unbundling
Obligations of Incumbent Local Exchange Carriers,
CC Docket Nos. 01-338, 96-98, 98-147

Dear Ms. Dortch:

Today, Paul Bobeczko, Director, Local Finance and Consumer Planning, Wayne Huyard, President, MCI Mass Markets, Kimberly Scardino, Senior Counsel, and Donna Sorgi, Vice President, Federal Advocacy, on behalf of WorldCom, Inc. ("WorldCom"), and A. Richard Metzger, Jr., counsel to WorldCom, met with Daniel Gonzalez, Senior Legal Advisor to Commissioner Martin, to discuss the attached presentation.

Pursuant to section 1.1206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), this letter is being provided to you for inclusion in the public record of the above-referenced proceeding.

Sincerely,


Ruth Milkman

cc: Daniel Gonzalez
Scott Bergmann
Jeffrey Carlisle
Christopher Libertelli
Thomas Navin

Matthew Brill
Jordan Goldstein
William F. Maher
Brent Olson
Michelle Carey

Linda Kinney
Jeremy Miller
Robert Tanner



Transitioning to Unbundled Loops: Case Study

November 18, 2002

The Nine Essential Elements of a UNE-L Economic Evaluation

	Case 1: Local Switch, Transport + Collo Facilities	Case 2: Local Switch Facilities (no collo or transport)	Case 3: No Local Facilities
Investment Required			
Transition Costs			
On-going Costs			
High Density	Medium Density	Low Density	

Transition Scenarios

- We have evaluated the process steps of UNE-P to UNE-L transition for two different central office scenarios (Case 1 & Case 2):
 - Central office with existing collocation, transport, and switching facilities—all of which are currently being used to serve medium to large business customers
 - Central office with no collocation, but within reach of existing switching facilities—all of which are currently being used to serve medium to large business customers

Before We Transition Our First Customer, We Have Substantial Internal Development Requirements

- Develop automated electronic UNE-L provisioning systems
- Modify all back-office operations to handle new customers
- Create dedicated customer service, trouble maintenance and provisioning groups
- Hire, train, and equip incremental loop provisioning and switch maintenance technicians
- Develop scalable capabilities for E911, LNP, Operator Services, and Directory Assistance

This development is expected to take several months to one year at a minimum. At the present time, we are still in the process of fully quantifying the costs associated with this development.

Central Office with Existing Collocation, Transport, & Switching Facilities

Identify Existing Facilities Opportunity

- In evaluating the business case for WorldCom to transition its UNE-P base to UNE-L on existing facilities, WorldCom evaluates several conditions on a central office by central office basis:
 - UNE-P line count
 - New equipment requirements(IDLC, cabling, power, etc.)
 - Collocation space constraints
 - Available transport capacity
 - Available switch-port capacity

Real World Example: Manhattan Central Office

- We identified a collocation in Manhattan that best met all of the key conditions required. However, we would have to make the following modifications prior to transition:
 - Purchase and install analog-capable equipment
 - Increase the existing collocation cage space by 200sq ft.
 - Pay Verizon for additional cabling and power

It Would Take 8 Months To Transition Our UNE-P Lines to UNE-L In This Central Office

<u>Steps</u>	<u>Business Days To Complete</u>	<u>Comments</u>
<u>Pre-Application:</u>		
Determine additional equipment/space requirements	5	WorldCom internal process
Complete application and submit to Verizon	5	WorldCom internal process
Application approval process and cabling/power delivery	76	Verizon(NY) collocation interval
<u>Construction:</u>		
Construct collocation expansion bays	15	WorldCom experience
Install and test new equipment	10	WorldCom experience
Certify collocation is ready to accept new lines	1	WorldCom experience
<u>Transition:</u>		
Transition 6,600 lines using project hot-cuts	53	Based on Verizon's stated ability to handle 125 hot-cuts/day in each CO. Assumes WorldCom gets 100% of VZ's total capacity.
Total Business Days	165	
Number of Months	8.3	

Transition Costs In An Existing Central Office Depend On a Number of Factors

- **Collocation Preparation:**
 - Additional equipment and installation
 - Verizon fees for:
 - Cabling
 - POT Bays
 - Collocation expansion
- **Transition Costs:**
 - Verizon NRCs (\$35/line)
 - WCOM technician labor (53 days)
 - **Total**
- These costs do not include any of the up-front development costs, ongoing switching and transport costs, or ongoing support expenses.

Central Office with Switching-Only Facilities

Identify New Collocation Facility Opportunities

- In considering where WorldCom could deploy new collocation facilities, several conditions must be evaluated on a central office by central office basis:
 - UNE-P line density
 - Proximity to existing switch facilities
 - Available switch-port capacity
 - Central office space constraints
 - Backhaul options (fiber build or leased circuits)

It Would Take 17 Months To Transition The Same Number of UNE-P Lines In a New Central Office

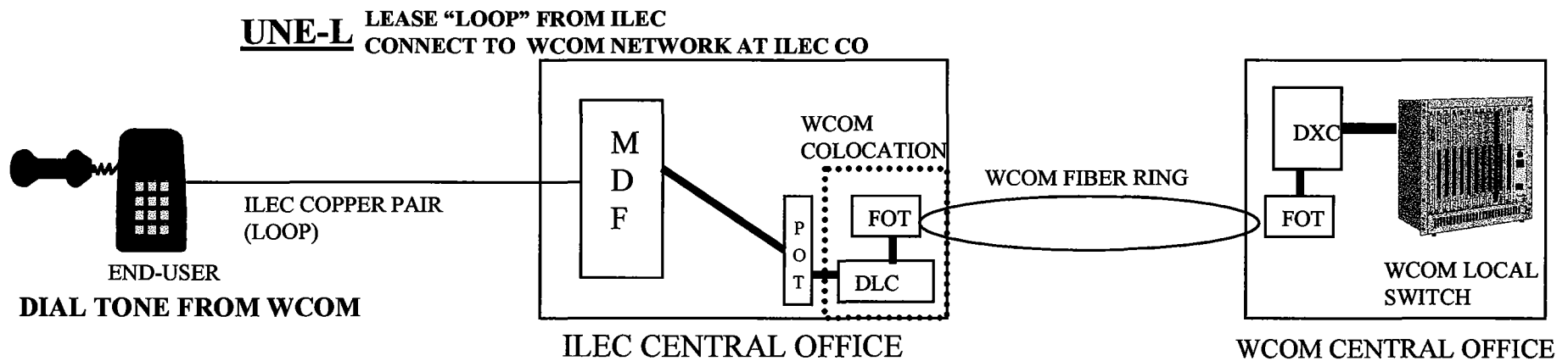
<u>Steps</u>	<u>Time To Complete</u>	<u>Comments</u>
<u>Pre-Application:</u>	avg. 9 months	Based on WorldCom's extensive experience in deploying over 1,000 collocations.
Obtain necessary permits for outside plant (fiber)		
Determine equipment and space requirements		
Complete collocation application		
Submit collocation application to Verizon		
<u>Construction:</u>	avg. 5 months	
Construct fiber backhaul from CO to network pop		To save time, WorldCom begins its network construction process during the Verizon (NY) collocation application interval of 76 business days.
Application approval and cabling/power delivery		
Construct collocation cage		
Install and test new equipment		
Certify collocation is ready to accept new lines		
<u>Transition:</u>	2.5 months	Based on Verizon's stated ability to handle 125 hot-cuts/day in each CO. Assumes WorldCom gets 100% of VZ's total capacity.
Transition 6,600 lines using project hot-cuts		
Number of Months	17 months	

Transition Costs In New Central Offices Depend On a Number of Factors

- **Collocation Preparation:**
 - ILEC application fees, cabling, and power
 - Collocation cage build-out
 - Purchase and installation of electronics for analog circuits
 - Purchase and installation of electronics for traffic aggregation
 - Backhaul (fiber build out vs. leased circuits)
- **Switch Preparation:**
 - Purchase and install digital cross-connect equipment to handle new backhaul traffic
- **Transition Costs:**
 - NRCs
 - Technician time

Appendix

WorldCom UNE-L Network Diagram



MDF – MAIN DISTRIBUTION FRAME
POT – POINT OF TERMINATION BAY (DS0)
FOT – FIBER OPTIC TERMINAL
DLC – DIGITAL LOOP CARRIER
DXC – DIGITAL CROSS-CONNECT